

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS

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ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

To: Chief Procurement Officer

From: Department of Labor and Industrial Relations, Workforce Development Division,
Administration Office

Department/Division/Agency

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

Title and description of health and human service(s):

PT Community Service Employment Opportunities for Older Individuals

The Department of Labor and Industrial Relations (DLIR) annually receives approximately \$1.9 million in federal funds to operate the Senior Community Service Employment Program (SCSEP). The DLIR is requesting an exemption from Chapter 103F, HRS to increase the current level of SCSEP services by contracting an additional \$33,110.00 in federal funds to one of its current operators (Maui Economic Opportunity, Inc.).

In October 2002, DLIR issued a statewide request for proposals to procure vendors to operate the SCSEP program effective July 1, 2003. The services include providing eligible older individuals an opportunity to engage in subsidized part-time employment with the public and nonprofit business community sectors.

In September 2003, USDOL Older Worker Bulletin 03-07 allocated to the State of Hawaii additional funds to include the private sector into one or more current subprojects. In order to receive these funds, the State must ensure that the private sector component is operational within a month after the federal award and that the project has the potential to achieve the additional performance goals of the project.

Provider Name: Maui Economic Opportunity, Inc.	Total Contract Funds: \$33,110.00	Term of Contract:
Provider Address: 99 Mahalani Street Wailuku, Hawaii 96793	Contract Funds per Year (as applicable).	From: To: 11/15/03 or 6/30/04 award of federal funds

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

This project is part of the larger SCSEP operations. It entails the development of training activities in the private sector that will enhance the employability of SCSEP participants. Training activities shall include classroom training, work experience training, and the development of on-the-job training agreements that are designed to alleviate the SCSEP participant's barriers to employment and that addresses the recruitment concerns of the employer community. Services under this procurement must be coordinated with the existing SCSEP operations and program participants must have received services through the current SCSEP operations. The private sector component is short-term and needs to be implemented immediately. A separate procurement would result in delays in the implementation of the private sector component and may affect the performance of the entire SCSEP operation in the State. Should our performance goals not be met, the State may be subject to sanctions and/or a reduction in future funding. It is therefore not practicable to separately procure the private sector training component for SCSEP for this program year.

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The availability of the private sector funds was not anticipated and DLIR was unable to plan for such services. Conducting a separate competitive procurement at this time would jeopardize our receipt of the additional federal funds because of the length of time a competitive procurement will take.

Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open competition as practicable:

Based on the newly received census data for SCSEP, the County of Maui is currently being underserved. DLIR has therefore decided to implement this project in the County of Maui.

During the October 2002 competitive procurement for our current SCSEP operations, only two agencies submitted proposals to operate SCSEP projects in Maui county. Maui Economic Opportunity, Inc. (MEO) was selected as the provider for Maui county and expressed an interest in expanding their current operations to include the private sector training component. The only other agency to submit a proposal for Maui was also asked whether they may be interested and able to provide the required services within the needed timeline. This agency indicated it was not interested.

As the recently conducted competitive procurement resulted in only two agencies indicating an interest in providing SCSEP services, the State has no reason to believe other agencies are interested in providing this service at this time.

Should the State decide to submit a grant application for competitive private sector training funds in the future, a request for proposals will be issued for this service.

A description of the state agency's internal controls and approval requirements for the exempted procurement: Unless the procurement is specifically exempted by statutes or the need for services is not anticipated, WDD conducts competitive procurements for services. Prior to the development of an exempt procurement, the WDD Program Officer and Administrator must review and approve the Request for Exemption. The request must also be reviewed by our Departmental Procurement Officer and be approved by the Director prior to its submission to the Chief Procurement Officer for his disposition.

A list of state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Nelson B. Befitel, Director

Patrick Fukuki, Business Management Officer

Elaine Young, Administrator

Carol Kanayama, Program Officer

Judy Gordon, Supervisor

Roy Umehira, Accountant

Yvonne Chong, Program Specialist

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Direct questions to (name & position): Yvonne Chong	Phone number: 586-9262	e-mail address: ychong@dlir.state.hi.us
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This exemption should be considered for list of exemptions attached to Chapter 3-141, HAR: Yes ☐ No ☒

I certify that the information provided above is to the best of my knowledge, true and correct.



Department Head Signature

11/4/03

Date

Nelson B. Befitel

Typed Name

Director
Department of Labor and Industrial Relations

Position Title

Chief Procurement Officer's Comments:

Please ensure adherence to applicable administrative requirements.

☒ Approved

☐ Denied



Chief Procurement Officer

11/12/03

Date

cc: Administrator
State Procurement Office

GRANT APPLICATION FOR SCSEP 502(e) PROJECT
STATE OF HAWAII

INTRODUCTION

The State of Hawaii proposes to operate a 502(e) project in the County of Maui. The project will be focused on the County of Maui since the recently received special census data for the Senior Community Service Employment Program (SCSEP) showed that Maui County had the largest population increase that is eligible for the SCSEP in the State.

Maui Economic Opportunity, Inc., (MEO) is the largest private non-profit agency in Maui, and has over 37 years of experience in assisting low-income elderly, children, immigrants, persons with disabilities, and other disadvantaged individuals. MEO's mission is to help these individuals help themselves so that they may become self-sufficient and enrich their lives. The 502(e) project will also benefit a subproject that MEO currently operates.

Due to the limited availability of funds and the short duration of the project, the project will target four specific vocational areas: 1) Health Care, 2) Laundry/Maintenance, 3) Fast Food, and 4) Hotel Operations. These occupations were selected because MEO has established strong relationships with employers in these areas and these areas are forecasted to have a strong demand for qualified employees. In addition, as the SCSEP operator for Maui County, MEO also has encountered many SCSEP applicants who have interests and aptitudes that show their potential for successful placement in these fields.

TARGET POPULATION

Maui is a predominantly rural area, consisting of three major islands: Lanai, Maui, and Molokai. The latest unemployment rates are as follows: Lanai - 4.9%, Maui - 4.2%, and Molokai - 15.8%. The average unemployment rate for the County is 4.7%. The average unemployment rate for Maui is .3% higher than the State's average of 4.4% and 1.4% less than the National average of 6.1% for the period.

MEO estimates that approximately 80% of the population currently in the SCSEP in Maui are basic-skill deficient, limited-English speaking, and have few, or outdated work skills. A high proportion of these individuals are also immigrants. Some of these individuals may have had training or limited experience in their homelands, however they lack the experience and/or credentials to compete in Maui's labor market. In order for these individuals to successfully compete in the labor market, MEO will provide the participants with a continuum of support and training to address employment barriers. MEO will also partner with employers in the private sector to engage participants in gainful employment.

SERVICE STRATEGY--BENEFITS TO PARTICIPANTS

MEO plans to recruit participants through their MEO Senior Scoop Newsletter, announcements at the local Senior Clubs, and public service announcements in the local newspapers and radio. Outreach activities will also be increased at the local One-Stop office. The eligibility criteria will be the same as the regular SCSEP. Applicants who express interest in employment for one or more of the four targeted occupations, those who show potential for transition into unsubsidized employment in these areas, or others who may benefit from additional training and support, will be selected for enrollment into the program.

Once enrolled into the 502(e) program, participants will be provided with an orientation and assessment of their vocational skills, knowledge, interests, abilities, and experiences. Assessment activities will also include an evaluation of the participant's physical capabilities by offering a physical examination paid by the program. The physical examination will be a benefit, and not a basis for denial of participation. Based on the assessment, the 502(e) case manager and participant will jointly develop an Individual Employment Plan identifying the vocational goal(s) of the participant, a training plan with specific timelines, and supportive services as needed.

In addition to the assessment and counseling services provided for all regular SCSEP participants, all 502(e) participants will be enrolled in a Pre-Employment Training class conducted by MEO staff. Selected participants may also enroll in English as a Second Language (ESL) classes to assist them in gaining the English skills needed to secure employment. To the extent possible, these ESL classes will be specifically designed to provide participants with the understanding of commonly used terms that they will encounter in the work environment.

Individuals who need additional assistance may be placed in short-term work experience positions at an employer partner's site while continuing in ESL classes. During their work experience placement, participants will be closely supervised and supported by their supervisor and their 502(e) case manager. Through their participation, they will be able to earn a moderate income and gain a basic understanding of the English language, work experience, and self-confidence to seek other unsubsidized employment.

Participants not needing ESL training may be placed directly into an On-The-Job (OJT) placement after the Pre-Employment Training class. Other participants may be assisted with short-term, pre-vocational training such as Basic First Aid, CPR, and Caregiver Training. After placement with an employer, the program will continue to support the participants with additional training opportunities that will enable them to advance in their positions. Such training may include, but will not be limited to, additional ESL classes, computer/cash register training, safety training, retail industry training, and hospitality training. Training costs shall be paid through private foundation funds, state funds, the employer, the Workforce Investment Act (WIA) program(s), the Department of Education-Adult Education Program, the Community Colleges, or other employment and training programs within the community.

Throughout the program, the 502(e) staff will be available to provide counseling to address concerns identified by the participant or the employer that may impede the participant's successful attainment of self-sufficiency.

Participation in the 502(e) program will enable participants to acquire new skills, enhance old skills, secure needed credentials, improve their self-esteem, and gain access to other senior citizen services. A key aspect of the program is that participants will be able to learn these skills while working and earning wages. By working high-demand occupations and directly with the employer community, participants will be able to experience working in the private sector early in their program participation and achieve a faster, smoother transition into unsubsidized employment. Through the encouragement and support of the 502(e) staff and the employer, these participants will not only realize their initial goal of an unsubsidized job but also gain the self-confidence to actively pursue other training opportunities which may further increase their chances of advancement.

A key function of the 502(e) staff will be to ensure participants the access to supportive services that will enable them to address any barriers for employment such as transportation services, uniforms, and work tools. As a Community Action Partner agency, MEO has established linkages with many community resources that can provide services to participants during their involvement in the program and after placement. For instance, MEO's Transportation Services may be able to provide eligible seniors with transportation to work and/or training. Other social service agencies may assist with clothing and work equipment.

The project plans to serve 14 participants through this program. Of these participants, approximately 75% or 10 individuals will attain unsubsidized employment. The average wage at placement for participants in this program will be at least \$6.75/hour.

SERVICE STRATEGY—BENEFITS TO EMPLOYERS

MEO will begin by inviting potential employers to an orientation meeting regarding the program. Invitations will be sent to employers who currently list their job openings with MEO as well as other employers in the community. At the orientation meeting, employers will be asked to identify recruitment problems and current and future job openings. Employers will also be invited to provide input into the program design and proposed training curriculum.

Besides promoting loyalty, dependability and strong work ethics that a senior workforce can provide, MEO staff will also use the orientation session to encourage employers to consider innovative work arrangements to accommodate older workers, such as job sharing, flex-time, flex-place, or job modifications to limit physical exertion. Program services such as work experience, OJT, and follow-up services will also be explained to the employers.

Employers who are willing to invest their time and manpower into providing supervision and training, will be able to gain access to an additional pool of trained employees to fill their job vacancies. Employer participation in the design of the program will also help to ensure that the program addresses recruitment barriers that the employer may have previously encountered. The

participating employer can benefit financially through the payment or reimbursement of a portion of the employee's wages through the work experience or OJT training component. They will also have the assurance that their newly hired employees will possess the skills, experience, and training required for them to embark into their new vocation. Employers also will have the reassurance that the 502(e) staff can be called on to assist them with any concerns relating to their new employees.

PLANNED PERFORMANCE GOALS

Entered Employment Rate—Seventy-five percent (75%) of the program participants will be placed into unsubsidized employment.

Retention—Of those participants who enter unsubsidized employment, at least seventy-five percent (75%) will still be employed six months after placement.

COST CONSIDERATIONS

Cost per Placement—The estimated cost per placement for the project shall be \$2,500.

Non-Federal Contributions—Non-federal contributions will include training funds available through the Alice Soper Foundation and in-kind contributions from MEO. In addition, the state-funded Employment Core for Low-Income Persons and the Employment Core for Immigrant Persons programs may also be utilized. If possible, the employer network may be asked to share in the cost of training.

Coordination and Partnerships—MEO is an active partner in the Maui One-Stop System. MEO staff regularly visits the One-Stop Center to provide intake services to potential applicants and takes the SCSEP participants to the One-Stop Center to avail them of the services available. As a former operator of the Job Training Partnership Act (JTPA), Older Individual Program for the County of Maui, MEO has developed strong linkages with various employment and training agencies in the community. MEO also operates the National Farmworker Program (WIA Section 167), the Maui-to-Work (Welfare-to-Work) Program, Head Start Program, Micro-Enterprise Program, Transportation Services, and Youth Bank Program. As needed, 502(e) participants may be dually enrolled into the WIA Adult Program, the WIA Dislocated Worker Program, the Vocational Rehabilitation Program, or other employment and training programs that will be able to fund the cost of training that the 502(e) participants may need.

MEO has also made a commitment to utilize a portion of their private foundation funds or their state funds to assist 502(e) participants with the cost of training if the participant is not able to access training funds from other programs.

ADMINISTRATION/ABILITY TO IMPLEMENT PROJECT QUICKLY

The 502(e) project will be administered by the State Department of Labor and Industrial Relations' (DLIR), Workforce Development Division (WDD). As the current grantee of the SCSEP State level funds, DLIR/WDD is responsible for the administration, oversight and monitoring of the SCSEP in Hawaii. As required by State procurement rules, the SCSEP subproject operations have been competitively procured via a Request for Proposals process. The MEO has been selected to be the subproject operator of the SCSEP in the County of Maui. Organizational charts for WDD and MEO are enclosed.

As the current operator of a SCSEP subproject, MEO staff is familiar with the requirements of the SCSEP and will be able to implement the 502(e) project immediately upon notification of the award. Preliminary preparations such as the identification of possible employer partners and the outreach and recruitment of program participants will begin shortly thereafter. MEO is also assessing their current SCSEP participants to determine if any participants may benefit by transferring to the 502(e) project. They also have certified staff to provide Pre-Employment Training and computer training classes. Through coordination with other training providers in the community, training courses can begin within a few weeks of implementation.

The 502(e) project will supplement the current SCSEP operations. As such, all staff is on board and the mechanism to recruit and enroll potential participants is already in place. Once the enrollment and assessment processes are completed and the employer partners are identified, MEO can begin Pre-Employment Training and the referral of participants to appropriate training. Placement into private sector employment can begin as soon as the participants have completed their pre-employment training.

EMPHASIS ON NEW WORK ARRANGEMENTS

As stated previously, MEO will encourage employers to consider alternative work modes through its Employer Orientation meetings. The benefits of hiring a senior workforce will be highlighted throughout the employer's participation with the program. The 502(e) staff will also work with the employer community to explore new areas where the senior workforce can assist the employer to meet its labor force needs. The financial incentives of the work experience and OJT training can also help to encourage employers to consider eligible seniors for second career training.